

HOUSING IN KAZAKHSTAN
RECENT STATISTICS AND TRENDS
Almaty, Kazakhstan
April 1995

Prepared for the U.S. Agency for International Development
Bureau for Europe and the Newly Independent States
Office of Environment, Energy and Urban Development
Urban Development and Housing Division

By
Wallace Kaufman and Ilya Lipkovich

INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION
USAID Contract CCS-0008-C-00-2056-00
Project No. 110-0008
Task Order No. 05
Shelter Sector Reform Project for
the Newly Independent States of the Former Soviet Union

BASIS HOUSING SECTOR STATISTICS

Section A. General Economic Indicators	2
1. <i>Exchange rate</i>	2
2. <i>Minimum salary, tenge</i>	2
3. <i>Average income of a family</i>	3
4. <i>General bank interbank loan rate</i>	3
5. <i>Market interest rate, short term loans</i>	3
6. <i>Growth rate of GDP*, %</i>	4
7. <i>Annual inflation rate (consumer prices) in 1994 and previous years</i>	4
8. <i>Monthly inflation rate (consumer prices) for 1994</i>	4
9. <i>Level of minimum life standard. No official data available</i>	4
10. <i>Average family budget (calculated on the basis of a permanent sample of respondents).</i>	5
Section B. Demographic data	5
1. <i>Total population, thousand of people.</i>	5
2. <i>Distribution of population by nationality, thousands of people</i>	5
4. <i>Number of families, thousands</i>	6
5. <i>Average family size</i>	6
6. <i>Emigration</i>	6
Section C Housing demand and other data	8
1. <i>Official occupation norm</i>	8
2. <i>Number of families in the housing waiting list at 1.01.94, thousands of people</i>	8
3. <i>Living density</i>	8
Section D. Rental fee for a typical apartment (urban area)	10
1. <i>Definition of typical apartment</i>	10
2. <i>Rental Fee in Urban Area of Kazakhstan, tenge</i>	11
Section E Characteristics of housing stock, 1.01.94	11
1,2,3. <i>Total number of units, sq. meters (urban and rural)</i>	11
4. <i>Distribution of housing stock by developer</i>	12
5. <i>Dachas.</i>	12
6. <i>Average size of apartments, sq.m</i>	12
7. <i>Average size of individual single-family buildings.</i>	12
8. <i>Number of apartments structurally unsound.</i>	12
9. <i>Number of apartments without utilities</i>	13
10. <i>The same for single-family buildings.</i>	13
Section F Inventory of unfinished residential buildings	13
Section G Status of housing privatization	13
Section H Construction activity	14
Section I Construction costs	14
1. <i>Average construction costs in dollars per one sq. meter, 1993, tenge</i>	14
2. <i>Unit costs for selective building materials</i>	16
Section J Residential real estate market activity, leases and sales	17
1. <i>Apartment rentals in the City of Almaty</i>	17
2. <i>Secondary sales of privatized apartments</i>	18
Section K Land Market Characteristics	19
Section L Republic level government housing budget information	19
Section M City communal services budget	20
1. <i>Expenditures and revenues for communal services (on the basis of data from Talgar)</i>	20

Section A. General Economic Indicators

Kazakhstan, like many other countries freed of communism but not of communist structures and traditions, suffers from the absence of a housing market in which people can make choices to maximize the efficiency of their choice of housing. While almost 90% of the housing stock has been “privatized,” most of the choices that owners need to manage their new wealth efficiently have not been privatized and owners of residential real estate have very limited choices of space, quality, location, and financing.

The size and seriousness of these obstacles can be seen in the published figures. These figures, however, do not tell the entire story. To provide a more useful and fuller picture, ICMA has gathered statistics on housing conditions in Kazakhstan during December 1993 and January 1994 from a variety of sources. These figures are presented here as our housing indicators for 1994.

DATA SOURCES. All data from Goskomstat (Govt. Statistical Committee) unless otherwise noted.

1. Exchange rate

Most properties bought and sold, as well as many rental agreements, are made in dollars. To understand the significance of local currency figures at any point in the past year, a reader must know the prevailing exchange rate. The following table records the tenge auction rate at the Kazakhstan interbank currency exchange, maintained by the National Bank of Kazakhstan (NBK)

Date	Rate (tenge/usd)
11/19/93	4.68
12/03/93	5.70
1/27/94	9.35
2/22/94	11.48
3/31/94	19.94
4/28/94	29.92
5/31/94	40.73
6/30/94	43.29
7/28/94	45.33
8/02/94	45.33
9/02/94	46.90
10/04/94	48.00
11/01/94	49.85
12/01/94	52.61
1/03/95	54.41
2/02/95	57.50
3/02/95	59.90

2. Minimum salary, tenge

The figures below show that incomes have not risen as fast as the price of the dollar, nor as fast as

inflation of consumer products. Individual income, but not family income, has closely tracked the dollar to tenge rate change.

Minimum salaries in tenge according to the governmental regulations,

Months	Salary
January 1994	29.2
February-March	40.0
April-June	100
July-September	150
October	200

Actual level of average individual salary

Months	Kazakhstan	Almaty
January	330.8	376.9
Februar	369.6	475.6
March	475.4	554.2
April	807.0	941.6
May	1028.6	1268.1
June	1356.5	1678.3
July	1725.8	2151.4
August	1971.4	2483.8
September	2451.3	3022.5
October	3090.8	3845.3

3. Average family income

Months	Kazakhstan	Almaty
January	577.2	883.5
February	609.9	895.9
March	765.3	970.3
April	1001.9	1391.9
May	1478.8	2132.8
June	1897.8	3103.1
July	2217.0	3642.5
August	2797.9	4436.1
September	3276.4	4770.9
October	3620.1	5735.0

4. General bank interbank loan rate

The following table shows the National Bank of Kazakhstan's refinancing rate for NBK credits

Date	Rate (percent)
01/01/94	270
03/01/94	300
09/01/94	280
09/20/94	270
11/07/94	250
10/01/95	210

5. Market interest rate, short term loans

The following information was obtained in a telephone survey of several banks. (Many banks refused to disclose information.) The reliability of the information we did get is hard to verify. According to anecdotal information many borrowers must pay bank officials 10-20% of loan value in order to be granted any loan at all.

About 40 % of the surveyed banks are not lending any credits currently.

A real estate loan requires 100% collateral

To obtain a credit, a borrower must be a bank's customer for at least 6 months.

The interest rate is regulated/limited by the refunding rate and cannot be lower than the latter. In January 1995 with a rate of 210% the credit interest was 300%.

The repayment term is 3 or 6 months depending on the bank.

Repayment of interest may be monthly or quarterly depending on the bank.

6. Growth rate of GDP*, %

These are official government figures. They do not take into account the amount of informal domestic product produced. The informal sector is large since many producers keep their production off the official record so that they do not have to pay the heavy tax burden the government imposes.

Period	Kazakhstan
1993 vs. 1992	87.7
1-st q. 1994 vs. corresp. period of 93	70.0
1-st half-year of 94 vs c.p. of 93	72.8
9 months of 94 vs. c.p. of 93	71.8
expected annual 1994 vs. 1993	74.6

7. Annual inflation rate (consumer prices) in 1994 and previous years

Period	Kazakhstan	Almaty
1994 vs. 93	1258.4	1361.7
1993 vs. 92	2265.0	2847.9
1992 vs. 91	3060.8	na

* GNP is not calculated in Kazakhstan currently

8. Monthly inflation rate (consumer prices) for 1994

Months	Kazakhstan	Almaty
January	142.6	138.3
February	124.2	138.1
March	117.4	115.8
April	131.8	132.9
May	133.8	138.5
June	145.9	142.4
July	125.4	121.3
August	113.3	114.9
September	109.7	109.4
October	120.1	118.95
November	114.2	115.3
December	110.0	na

Inflation in the first three months of 1995 continued to fall.

February 1995: 6.7 percent (using December 1994 as 100)

March 1995: 5.1 percent

9. Minimum Living Standards. No official data available

Recent data published for the former Soviet Union has noted a decrease in life expectancy with male life expectancy in Russia now down to 58. Other figures on living standards are not systematically collected. It is clear from the fact that incomes are lagging behind the rise in prices that buying power is decreasing. Since many families live near the subsistence line, it is logical to the mind and obvious to the eye that living standards are falling for most people.

10. Average family budget (calculated on the basis of a permanent sample of respondents).

Distribution of incomes, %

Total	100
Salary	75
Pensions, stipends, allowances	7
Income from selling	8
Other	10

Distribution of expenditure, %

Total	100
Food	48
Non-food goods	27
Services	10
Taxes, fees	8
Other	7

Note: The average family's expenditures generally equal its income, so that savings is negligible. The absolute figures for income are given in paragraph 3 of this Section.

Goskomstat does not segregate housing expenses in its data. We suspect the housing expense is included in 10% for services. This is consistent with our single city surveys which show families spending less than 10% of income on utilities, rent, and maintenance.

Section B. Demographic data

Note: The main source of data used here is the result of the 1989 All-union Census, and Goskomstat updates. .

1. Total population, thousand of people.

	Kazakhstan		Almaty	
	12.01.89	1.01.94	12.01.89	1.01.94
Total	16464.5	16870.4	1121.4	1174.8
Urban	9402.6	9491.5	1121.4	1174.8
Rural	7061.9	7378.9	not ap.	not ap.

2. Distribution of population by nationality, thousands of people

	Kazakhstan		Almaty	
	12.01.89	1.01.94	12.01.89	1.01.94
Total	16464.5	16870.4	1121.4	1174.8
Kazakh	6534.6	7474.5	252.1	308.7
Russian	6227.5	6041.6	663.2	646.4
Ukranian	896.2	856.7	45.6	42.2
Belorussian	182.6	177.6	4.5	6.9
Azerbaizhanian	90.1	102.0	5.0	6.5
Uzbek	332.0	371.7	5.0	5.2
German	957.5	613.8	20.1	10.0
Tatar	328.0	330.4	27.3	28.0
Other	916.0	902.0	98.6	120.9

4. Number of families, thousands

	Kazakhstan		Almaty	
	12.01.89	1.01.94	12.01.89	1.01.94
Total	3824.6	na	281.0	na
Urban	2331.3	na	281.0	na
Rural	1493.3	na	not ap	na

Note: Accurate data on number of families is available only in Census records with the most recent census conducted at 1989. However, we can estimate current number of families assuming average family size constant and dividing current number of population by census family size. This procedure would be more accurate if done separately for each national group, as family size varies substantially with different ethnic groups, and recent migration affected primarily the Russian population (with smaller family size) .

5. Average family size

	Kazakhsta n	Almaty
--	----------------	--------

Total	4.0	3.5
Urban	3.6	3.5
Rural	4.5	not ap.

6. Emigration

Emigration has become a major factor in the changing population of Kazakhstan. In general, more affluent and better educated European stock has a net outmigration, and only Kazakhs have a net in-migration. Many Kazakh immigrants have lower than average educations and incomes, and larger than average families. Official and unofficial government policies contribute heavily to this trend. Kazakhs are favored for high government positions and often use strong family (clan) ties to win work for family members and friends. Government language policies and some privileged resettlement efforts favor incoming Kazakhs. The increasing dominance of high government positions by Kazakhs in a country where “blat” (powerful connections) still has great value, means Kazakhs often have advantages over other ethnic groups in maneuvering through the bureaucracy and in access to housing.

Distribution of migrants by nationality for 1993

	Migration								
	Total			Far abroad			Close abroad		
	balance	inflow	outflow	balance	inflow	outflow	balance	inflow	outflow
Kazakhstan	-222101	111274	333375	-89461	11010	100471	-132640	100264	232904
Kazakh	23490	36004	12514	6046	6399	353	17444	29605	12161
Russian	-123777	46352	170129	-12590	634	13224	-111187	45718	156905
Ukranian	-16580	6698	23278	-2550	111	2661	-14030	6587	20617
Belorussia	-3848	1175	5023	-471	11	482	-3377	1164	4541
Azerbaijan	-184	1148	1332	-57	4	61	-127	1144	1271
Uzbek	-1571	1407	2978	-35	9	44	-1536	1398	2934
German	-84123	4089	88212	-78478	344	78822	-5645	3745	9390
Tatar	-5329	2944	8273	-252	30	282	-5077	2914	7991
Other	-10179	11457	21636	-1074	3468	4542	-9105	7989	17094
Almaty	-17631	6413	24044	-3241	692	3933	-14390	5721	20111
Kazakh	1156	1769	613	42	101	59	1114	1668	554
Russian	-14150	3063	17213	-920	158	1078	-13230	2905	16135
Ukranian	-1263	297	1560	-38	27	65	-1225	270	1495
Belorussia	-242	52	294	-17	2	19	-225	50	275
Azerbaijan	-41	32	73	-8	1	9	-33	31	64
Uzbek	-32	41	73	-4	2	6	-28	39	67
German	-2024	77	2101	-1832	6	1838	-192	71	263
Tatar	-239	158	397	-33	4	37	-206	154	360
Other	-796	924	1720	-431	391	822	-365	533	896

Migration and other statistics in thousands

	1990	1991	1992	1993
Total Pop.	16,793	16,934	16,986	16,942
Births	363.3	354.1	338.5	316.3
Deaths	128.8	134.6	137.7	156.3
Outmigrants	763	686.3	742.4	683.5
In-migrants	632.1	637.4	563.1	480.2
Net Migration	(130.9)	(48.9)	(179.3)	(203.3)
Marriages	164.6	166.1	147.5	146.2

NOTE: We cannot account for the difference in net 1993 change reflected in the 2 tables.

A number of factors have influenced the changing demographics of Kazakhstani residents. We list some of the most important in the figures below.

AGE FACTORS

1991-3: number of elderly increased by 200,000 [no age stated]

ETHNIC FACTORS

1989-1993: Decrease in Russian, German and Ukrainian ethnics

Tartars about same level

Uzbeks increased in 1993 compared to 1992

Kazakhs increased 2.6% per year in past 4 yrs.

1993: 23,000 plus Kazakhs arrived from "far abroad" mainly settling in Kokshetau Obl. (15%); Akmolinsk Obl. (10%); Karaganda Obl. (9%); Kzyl-ordinskaya Obl. (9%).

The main increase in the Kazakh population has been due to "natural causes," but the number of children per Kazakh family is decreasing. (The numbers of third or higher children decreased from 1,600,000 in 1991 to 86,600 in 1993)

Uzbeks: 1993 24.7 births per 1,000 people

Kazakhs: 19.7

Azeris: 18.6

Germans: 2.9

Tatars: 1.2

[Russian and other European stock figures not listed]

Russian and Ukrainian Vital Statistics:

For first time since 1989 census Russian and Ukrainian deaths exceeded births in Kazakhstan

Natural decrease was 3,377 among Russians, 2,189 among Ukrainians due to lower birth rate

Ethnic makeup in thousands

	Number of People			Percent of Whole		
	1979	1989	1994	1979	1989	1994
Kazakh	5.829	6.535	7.474	36	39.7	44.3
Russian	5.991	6.228	6.042	40.8	37.8	35.8
Ukrainian	.898	.896	.857	6.1	5.4	5.1
Belorus.	.181	.183	.178	1.2	1.1	1.1
German	.900	.957	.614	6.1	5.8	3.6
Uzbekh	.263	.332	.372	1.8	2.2	2.2
Tatar	.313	.328	.331	2.1	2.0	2.0
Azeri	.073	.090	.101	0.5	0.5	0.6
Total	14.684	16.464	16.870	100	100	100

Section C Housing demand and other data

1. Official occupation norm

According to Article 73 of the draft of the Housing Code of the Republic of Kazakhstan,

1. Dwelling units provided from government housing stock should be no less than 15 sq.m. of **total** space per person. (About 135 sq. ft.)

2. Poor and socially vulnerable citizens should be provided dwellings no less than 6 sq.m of **living** space per person.

2. Number of families on the housing waiting list as of Jan 1, 1994, thousands of people

Waiting lists were established under Communist regimes and gave the appearance of a rational allocation system based on social values that designated various classes of “privileged” social positions--veterans, invalids, families with children, etc. Also, members of many organizations and enterprises were on waiting lists for housing from their employers. A few years ago, people had faith in the provision of housing according to their position on the list. Today it appears that the waiting lists are mainly composed of “privileged” classes defined and maintained for a combination of political and social reasons often independent of economic or physical necessity. For instance, a relatively affluent handicapped person or veteran may qualify for a residence despite occupying an existing residence made available by family circumstances or personal resources.

	Kazakhstan	Almaty
Urban	458.7	56.1
Rural	na	na

3. Living density

Soviet norms in architecture and housing allocation largely dictated the relatively densely populated apartments and houses of Kazakhstan. In the absence of new construction, this legacy continues intact.

Average Number of residents living in one apartment, Jan 1, 1994

(One room apt. means kitchen, bathroom, and one living-sleeping-dining area. Two rooms means two rooms in addition to kitchen and bath. Most Soviet living-dining rooms become sleeping areas at night.)

	Kazakhstan	Almaty
1-room apartment	2	2
2-room	3	3
3-room	5	4

Average provision of housing, square meters of space per resident. Note that “total” refers to entire area within the walls. “Living” refers to the total area minus bath and hallway. Most Soviet rooms have no closets.

	Kazakhstan	Almaty
Total Space	14.7	17.1
Living Space	10.0	10.6

<i>1-room</i>		
Total	14.8	16.1
Living	8.7	8.9
<i>2-room</i>		
Total	14.9	16.4
Living	9.5	9.9
<i>3-room</i>		
Total	14.3	16.9
Living	9.5	10.7

The table below table presents the relevant data on 472 residents from the Pilot Region of the City of Almaty. The table is based on a grouping of residents by total space per person.

Groups by Sp/Pers	Cases	Rms/prs	Num Of rooms	Total Area	Num Of Pers	Num Of Child	Income per Cap	FoodExp (share)
below 10	43	0.37	1.77	39.36	4.81	1.42	189.93	82.56
10-15	115	0.56	2.37	53.20	4.22	1.03	197.90	87.41
15-20	150	0.72	2.39	57.05	3.30	0.51	219.66	86.68
20-25	60	0.92	2.53	59.77	2.78	0.32	243.90	88.50
25-35	63	1.13	2.37	59.91	2.10	0.16	253.35	85.58
35-40	21	1.14	1.62	50.36	1.33	0.00	217.48	91.90
above 40	20	1.98	2.20	55.30	1.15	0.00	252.05	83.25
TOTAL	472	0.80	2.30	54.86	3.26	0.60	220.50	86.65

The table below shows the occupancy level for individual (single-family) dwelling in the City of Talgar

Occupancy level in different socio-demographic groups

Categories	Average	<=8	8 -20	> 20	Total
<i>Number of persons</i>					
1 pers	32.69	0.0	26.7	73.3	30
2 pers	17.95	8.0	52.0	40.0	50
3 pers	13.95	13.9	76.4	9.7	72
4 pers	11.29	19.1	71.9	9.0	89
5 pers	9.55	39.7	60.3	0.0	63
6 pers	8.69	60.0	36.7	3.3	30
7 pers	7.29	63.2	36.8	0.0	19
8 pers	6.90	83.3	16.7	0.0	6
<i>Number of children below 15</i>					
No children	17.40	10.7	61.1	28.2	149
1 child	11.50	26.1	63.6	10.2	88
2 children	9.43	41.4	54.0	4.6	87
3 children	8.38	55.2	44.8	0.0	29
4 children	8.65	66.7	22.2	11.1	9
5 and above	8.89	50.0	50.0	0.0	2
<i>Family type</i>					
Single	32.69	0	26.7	73.3	30
Coup. without ch	16.69	12.2	58.5	29.3	41
Couple + childr	11.43	27.5	65.2	7.3	178
Coup.+ch+grand	8.81	45.5	51.5	3.0	66
Single mother	13.79	20.0	60.0	20.0	10
Other	14.04	24.4	61.0	14.6	41
<i>Socially vulnerable group</i>					
Disabled	15.52	20.3	59.3	20.3	59
Single,old	25.86	6.3	31.3	62.5	16
Single mothers	9.18	75.0	12.5	12.5	8
Large families	5.81	71.4	28.6	0.0	14
Other	14.69	20.0	40.0	40.0	5
Nobody	12.75	25.4	61.9	12.7	268
<i>Income per pers. (tenge)</i>					
<= 200	11.44	39.3	49.3	11.4	140
201-300 tenge	14.22	25.4	54.0	20.6	63
301-400 tenge	15.67	15.6	59.4	25.0	64
401-500 tenge	17.77	11.1	63.9	25.0	36
> 500	13.75	13.5	78.8	7.7	52
TOTAL	13.55	26.4	57.7	15.9	371

4. Number of homeless people.

No official data available. In general people do not seem to sleep on the streets, in hallways or in abandoned buildings in Kazakhstan.

Section D. Rental fee for a typical apartment (urban area)

1. Definition of typical apartment

The definition of typical apartment is as follows,

Number of rooms	3
Total space	60 sq.m
Living space	40 sq.m
Number of people	4

2. Rental Fee in Urban Area of Kazakhstan, tenge per square meter

	Units	Kazakhstan		Almaty	
		20 Jan 94	21 Nov 94	20 Jan 94	21 Nov 94
Rent fee/maintenance	sq.m	0.06	1.17	0.02	0.53
Communal services					
Central heating	sq.m	0.04	1.06	0.03	0.3
Hot water	pers	0.28	13.29	0.3	2.70
Cold water	pers	0.25	9.08	0.18	18.72
Natural gas	pers	1.10	51.54	1.10	44.0
Electricity	1 kw	0.04	1.5	0.04	1.5
Total for typical ap		16.5	579.5	13.49	468.80
Total per sq.m		0.28	9.66	0.22	7.73

Note: In dollar terms the total for typical apartments went from \$1.76 per mo. to \$9.68 per month, or from 5% of an average salary to 16%. The percent of family income would be less, but in either case people found real housing costs in relation to income rising by 300%.

Note: Jan. 94, 9.35 tenge = \$1 Avg. Salary: \$35

Nov. 94, 49.85 tenge = \$1 Avg. Salary: \$61

Section E Characteristics of housing stock, 1.01.94

1,2,3. Total number of units, sq. meters (urban and rural)

Note: The data on total and living spaces below reflect apartments proper as well as dormitories and dwelling units attached to non-residential buildings like hospitals, schools, etc.

	Kazakhstan	Almaty
Total Space, mln sq.m	247.0	20.0
Urban	150.3	
Rural	96.7	
Living Space, mln sq.m	168.7	12.4
Urban	98.4	
Rural	70.3	
Number of apartments, thnd	4407.9	347.5
Urban	2774.3	347.5
Rural	1633.5	
Total space of apartments	238.5	18.6
Urban	143.0	

Rural	95.5	
Living space of apartments	163.9	11.7
Urban	94.3	
Rural	69.6	

4. Distribution of housing stock by producer

Data not available. It is possible to determine only the distribution of housing stock by owner.

	Kazakhstan		Almaty	
	apartments, thnd units	total space thnd sq.m	ap.	totspace
Governmental, including	1063.2	54170.2	113.4	5597.0
local administration	473.5	23481.0		
ministries	589.7	30689.2	24.7	1152.3
Cooperatives	137.5	6758.9	19.1	1021.2
Individual, including privatized	3217.1	177589.0	215.0	12011
Totals	4417.8	238518.1	347.5	18629.2

Note: Government offices often claim as much as 80-90% of the housing stock has been privatized. It is possible that Goskomstat figures are lagging reality or that the government agencies are ahead of reality. Verification would take a major effort.

5. Dachas.

Regulations reflecting communist politics classified dachas as summer temporary dwellings and, as such, they were not included in housing stock. Indoor plumbing and other amenities for year round living were not allowed. Therefore data on dachas are not available at present moment. Many people, however, have already begun to turn dachas into year round houses, often much larger than the average apartment. Much of the construction is taking place in areas without community water or sewer and on roads adequate for only one car. Some dacha areas have informal landholders' associations that collect some fees for eventual improvements.

6. Average size of apartments, sq.m

	Kazakhstan	Almaty
Total space	51.2	50.0
Living space	33.1	30.5

7. Average size of individual single-family buildings.

Official data are not available, because data on individual units don't distinguish between one-, two-, or more -unit buildings.

8. Number of apartments structurally unsound.

Note: the condition is generally defined only as housing not fit for habitation because of structural depreciation.

	Kazakhstan	Almaty
Total space of	1289.3	282.2

In % to the present housing stock at 1.01.94	0.5	1.4
--	-----	-----

Note: data on unsound housing is available only in terms of sq. meters.

9. Number of apartments without utilities

Share of apartments not provided with,	Kazakhstan		Almaty	
	thnd units	%	thsnd	%
cold water	276.8	23.2	30.8	23.3
natural gas	215.3	18.1	8.2	6.2
district heating	269.1	22.6	36.9	27.9

Note1: The data above relate to all multi-family apartment buildings, including both urban and rural areas.

Note2: The higher percentage of homes without district heating in Almaty, might be the result of a higher percentage of single, double, and triple family homes that have their own heating systems: natural gas, bottled gas, coal, kerosene, or wood.

10. The number of single-family buildings.

Note: Since single-family buildings cannot be distinguished among 2 and 3 family dwelling units, the data are given only for individual buildings, regardless of number of families. The percentages are calculated on the basis of living space of individual houses.

Share of units not provided with,	Kazakhstan	Almaty
	%	%
cold water	57.3	13.6
natural gas	13.5	6.5
district heating	na	34.9

Section F Inventory of unfinished residential buildings

	Kazakhstan		Almaty	
	mln. tenge	%	mln. tenge	%
Unfinished construction by the end of the year				
All sources of financing	720.4	55.9	81.0	80.4
Governmental financing	589.9	79.9	67.9	80.0

Note: The percentage column in the table above means the proportion of annual investment by the indicated source that is tied up in unfinished objects. In addition we should note that much of the unfinished construction is shoddy, undesirable and deteriorating. In other words, it should not be assumed, in a market economy, to be 100% usable or to have significant value.

Data on the share of unfinished construction intended for those on waiting lists is not available because this issue is not covered by governmental statistics. Also there were no surveys on this topic. The same is true for single-family apartments.

Section G *Status of housing privatization*

Privatization/selling of governmental housing started in the Republic of Kazakhstan in 1989 when about 9,100 flats were privatized/sold to their owners (for Almaty the figure is about 700). After that the process speeded up.

Thousands of Units Privatized

	1990	1991	1992	1993	1994 (9 mth)
Kazakhstan	35.9	141.1	1007.3	977.9	331.7
Almaty	4.5	23.0	81.5	76.1	36.9

From 1990 on, a free-of-charge transfer of state rental units to the residents was practiced as well. Several categories of citizens were eligible for free transfer, the disabled and war veterans, for instance. In Almaty, as well as elsewhere, sale at nominal prices or for housing vouchers proved so inefficient, that cities simply gave away housing.

Large-scale privatization of state housing started at the end of 1991 after the Government Program of Privatization and other regulatory documents were adopted.

Accomplishing the privatization program made great changes in the distribution of ownership.

Changes in Ownership

	1990		1991		1992		1993		1 Oct. 94	
	Kaz	Alm	Kaz	Alm	Kaz	Alm	Kaz	Alm	Kaz	Alm
All housing stock	100	100	100	100	100	100	100	100	100	100
State	64.6	75.3	61.2	65.3	45.9	53.6	24.9	32.8	17.8	23.3
Public	1.5	0.5	1.5	0.3	2.0	1.9	1.8	2.9	1.8	2.9
Cooperatives	1.6	4.3	1.6	4.0	1.6	4.1	1.4	4.1	1.4	4.1
Individual and privatized	32.3	20.0	35.7	30.4	50.5	40.4	71.9	60.2	79.0	69.7

Revenues collected by the state from housing privatization are not significant and go to municipal budgets.

Section H Construction activity

New construction, including dormitory, boarding schools, in thousands of sq.m of total space

	1987		1988		1992		1993		1994	
	Kaz	Alm	Kaz	Alm	Kaz	Alm	Kaz	Alm	Kaz	Alm
All sources	8303	556	8779	664	5046	295	3856	238	2251	163
State investments	6972	503	7110	624	3731	244	2202	170	978	107
Housing Cooperatives	257	36	258	20	100	38	108	14.5	64	-
Kolxozes (collectives)	270	-	250	2	93	-	67	-	24	-
Individuals	804	17	1161	18	1122	13	1057	13.5	754	21
Enterprises	-	-	-	-	-	-	422	40	431	35

Note: 1988 was the year of highest construction activity in Kazakhstan for the last 10 years.

New construction in terms of thousand units

	1987		1988		1992		1993	
	Kaz	Alm	Kaz	Alm	Kaz	Alm	Kaz	Alm
All sources	133.7	10.4	134.6	10.7	67	4.9	48.4	3.8
State investments	115.6	9.5	113.9	10.0	53.7	4.2	30.6	2.8
Housing Cooperatives	4.8	0.7	4.7	0.4	1.7	0.6	1.8	0.3
Kolxozes	3.7	-	3.4	0.04	1.1	-	0.8	-
Individuals	9.6	0.2	12.6	0.3	10.5	0.1	9.4	0.1
Enterprises	-	-	-	-	-	-	5.8	0.6

The corresponding data for individual dwelling units are not available in Goskomstat.

Section I Construction costs

1. Average construction costs in dollars per one sq. meter, 1993, tenge

(Note: tenge approx. 5=\$1)

	Kazakhstan	Almaty
State multi-family	148	138
Individual buildings	377	483

Data for 1994 are not ready yet. The above data for 1993 is somewhat underestimated due to the effect of the introduction of tenge in November 15, 1993 with its forced ruble/tenge exchange rate at 1:500.

Note: These construction costs are not market derived but probably figured on the basis of official coefficients applied to 1984 and/or 1991 prices. In January of 1995 ICMA research estimates the cost of multi-family space at approximately \$150 per sq. meter for typical Soviet style space. For more modern single family space the price is likely to be \$250 per sq. meter. The price in 1993 was certainly not \$27 and \$99 for multi family and single family respectively.

2. Unit costs for selective building materials

Construction costs (lowest prices, October 1994). Actual costs collected by interviews and price lists from suppliers.

#	Item or Description	Unit	Cost, \$
1.	Linoleum local	Sq. m	3.20
2.	Tile, Italy	Sq. m	7.00
3.	Pink Lime stone	Sq. m	13.00
4.	Wall paper	10 sq.m	8.45
	Plumbing		
5.	Toilet Local	Unit	15.00
6.	Shower Local	Unit	25.00
7.	Sink Local	Unit	6.00
	Firning		
8.	Fiber board	Sq. m	1.00
9.	Partical board	Sq. m	3.50
10.	Door	Unit	20.00
11.	Wood rough furnish		120.00
	Concrete		
12.	Cement	tn	44.64
13.	Ready mix concrete	Cubic m	37.50
14.	Foundation slab	Cubic m	62.50
15.	Wall concrete slab	Unit	178.57
16.	Concrete cover slab 3.5*1.2	Unit	50.00
17.	Concrete cover slab 4.7*1.2	Unit	73.21

#	Item or Description	Unit	Cost, \$
	Dry Substances		
21.	Sand	tn	4.40
22.	Gravel		
	Mechanisms		
23.	Crane (machine)	1 hour	64.86
24.	Backhoe	1 hour	5.54
25.	Bulldozer	1 hour	3.75
	Utility Connection		
26.	Wtersystem	Unit	10.71
27.	Sewer system	Unit	12.50
28.	Heating system	Unit	9.83
	One Unit of Installation		
29.	Watersystem	Meter	
30.	Sewer system	Meter	
31.	Heating system	Meter	
	Road Const		
32.	Asphalt	sq m	
33.	Asphalt	tn	17.86
	Metal Details		
34.	Steel pipe d.15;20;25;32;40;57	tn	195.00

18.	Foundation slab 2.4*.4*.6	Unit	23.21
	Brick		
19.	Silicate brick (white)	1000 un	107.00
20.	Red Brick	1000 un	90.00

35.	Cast-iron pipe d. 65;100;150	tn	325.00
36.	L-beam 40;50;63;80;100;125	tn	130.00
37.	U-beam 5.5;10;12;14;16;18;22	tn	130.00
38.	Reinforcing steel 8;10;12;14;16	tn	120.00

Note: figures supplied by official government estimators are considerably different. Many government building and maintenance units still estimate components and unit in place costs by a system of base prices, that are several years old, multiplied by a coefficient to update them. They often bear little resemblance to real market prices.

Section J Residential real estate market activity, leases and sales

1. Apartment rentals in the City of Almaty

The tables below are built on the basis of the rental data for rents of some 150 apartment cases collected by ICMA staff. All cases are multi-family buildings. This data, as well as the sales data in the next section, were provided by principals to the transaction or by the broker.

Average rent per sq.m. in typical apartments of the most desirable (Center) vs. undesirable (Micro- and FarDistant) regions

Regions	Typical apartment	Cases	Kitchen Size	RoomNum	Rent/Area, \$
Center	BrickBigKitch	35	10.34	2.57	6.99
Microreg	PanelMedKitch	10	7.20	1.80	3.87
FarDistantRe	PanelBigKitch	6	10.00	1.83	1.76
TOTAL		51	9.69	2.33	5.76

Rent per sq. meter of total space in Almaty & different regions broken down by times

	Whole City		Center		Micro & Distant reg	
	cases	rent/total	cases	rent/total	cases	rent/total
Nov-Dec93	16	6.231	15	6.548	1	1.481
Jan-Feb 94	13	8.795	9	11.723	3	1.333
March-Apr	53	2.591	17	3.316	16	1.542
May94 & later	66	4.050	24	4.790	19	3.673
TOTAL	148	4.180	65	5.770	39	2.563

2. Secondary sales of privatized apartments

Dynamics of sales prices per sq.m of apartments over time

Periods	Cases	TotalSp sq.m	KitchSize sq.m	Price/Area \$
Nov-Dec93	114	57.87	8.51	267.37
Jan-Feb94	147	59.18	8.12	196.19
March-Apr9	213	51.43	7.75	170.46
May-June94	214	55.50	8.24	221.14
July-Aug94	38	50.66	7.50	174.82
Sept94 & a	74	57.50	8.22	166.36
TOTAL	800	55.39	8.09	202.38

Selling prices of one sq. meter in typical apartments of different regions of Almaty

Location	Apartment Type	Cases	TotalSp sq.m	FinPr/Area \$	Num of rooms	Kitchen size
LowerCenter	PanelSmallK	18	47.50	176.83	2.17	6.00
LowerCenter	BrickBigK	13	61.73	233.97	2.46	9.62
Center	BrickBigK	80	65.66	295.40	2.54	9.94
UpperRegion	BrickBigK	12	61.25	271.82	2.42	9.51
UpperRegion	PanelBigK	15	65.50	230.82	2.87	10.07
VDNH	BrickSmallK	11	37.96	144.97	1.91	6.00
VDNH	BrickBigK	20	66.88	250.55	2.75	9.50
Tastak	PanelBigK	19	56.71	160.52	2.37	10.21
MicroRegion	PanelSmallK	81	45.83	138.52	2.12	5.99
DistantReg	BrickBigK	28	55.00	124.36	2.25	9.93
DistantReg	PanelBigK	48	62.92	162.12	2.69	10.15
SouthWest	PanelSmallK	25	46.30	137.98	2.20	6.00
TOTAL		370	56.46	195.05	2.40	8.50

Note: The most desirable regions are Center and Upper region (ecologically clean). The most undesirable are MicroRegion and DistantRegion. Apartment type mean the certain combination of two factors: external wall material and kitchen size. Big kitchen means more than 8 sq. meters. Small means 7 and less.

Section K Land Market Characteristics

At present the form of land tenure that is closest to ownership is inheritable life tenure. There is no significant market in vacant land or residential building lots except for single lots. These are often allocated from enterprises, collectives, and government through political connections and occasionally on the basis of some special standing--war heroes, long term government service, etc.

Given below are some data on the land selling prices in Almaty in July - August 1994

Prices of the land sites in the Almaty (July - August 1994)

#	Area (hectare)	Allocation	State of Development	Price \$
1	0.06	Micro district "Taugul"	No	2,000
2	0.010	Town Mamyr in prestige district	No	2,000
3	0.010	Town Kamenka	No	1,500
4	0.07	A district near observatory	No	3,000
5	0.08	Down from Baraholka	No	500
6	0.08	Town Nizhnyaya Kamenka	Incomplete basement	3,000
7	0.08	Town Akbulak (Saina and Raiymbeka St.)	No	600
8	0.016	Down from Baraholka	Excavation, electricity, water	5,000
9	0.08	Town Verhnyaya Kamenka	80 foundation slabs, 15 concrete slabs, 100 metal roof covering	5,000
10	0.10	Town Alatau	Temporary dwelling, water	4,500

11	0.06	Shanyrak 2	No	300
12	0.10	Kalkaman	No	2,000
13	0.07	Town Taugul	No	1,500
14	0.08	Town Kok-Kaynar	Basement	1,500

Section L Republic level government housing budget information

Since the Presidential Housing Decree in September 1993, the national government has promised millions of dollars to its Zhilstroï Bank for housing, construction and infrastructure lending. In January 1995, the president drafted a new decree, admitting that the government had failed to supply the funds promised by his first decree, and now promising 20% of royalties earned by oil, gas, and gold. In subsequent political events the adoption of the decree did not take place and was not in place as of this writing.

Most subsidies to local governments have been stopped. Local governments have not yet picked up a significant percent of the utility and maintenance subsidies once provided by enterprises and government.

Addendum 3/16/95

According to the most recent information from the Ministry of Construction, the draft version of budget for 1995 includes the following items

1. 100 mln tenge will be allowed for free subsidies to those who have been on waiting lists more than 10 years. This subsidy will be as much as 20% of the construction costs of the social standard for a family in question (now 15 sq.m. of **total** space per person).
2. 2.2 billion tenge will be allowed for housing loans intended for the so-called "socially vulnerable" people eligible for privileged financing. Those eligible for favorable loans might be found both in housing waiting lists or not. In first case they will get 20% of the money they need free and 80% as long-term loan. In second they will have to get 100% of the sum as a loan. The loan terms according to the Presidents decree will be 5% interest rate on the period no longer than 30 years.

3 530 mln tenge will be allowed in the budget for constructing of free shelters for the needy (people with very low income, pensioners, etc.). This group doesn't overlap with either of the two previous groups. The space will be allocated on the basis of sanitary norm equal to 6 sq.m. of living space.

Section M City communal services budget

1. Expenditures and revenues for communal services (on the basis of data from Talgar)

Annual expenditures, revenues, and subsidies. Total Governmental Stock, tenge, 1 Sept. 1994

	Cities revenues	Subsidy	Total	Required by Norm	Space, sq.m	Total/m2	Norm/m2
Rent Fee	424412.16	1167133.1 7	1591545.3	1591545.3	176838.4	9.00	9.00
Heating	10610302	10610302	21220604	21220604	176838.4	120.00	120.00
Current Repairing	7205	0	7205	466801	176838.4	2.64	2.64
Hot water	5330707.2	0	5330707.2	5330707.2	176838.4	3.25	30.14
Cold water	575366.4	0	575366.4	575366.4	176838.4	2.52	3.25
Sewerage	445863.6	0	445863.6	445863.6	176838.4	35.25	2.52
Gas	6233136	0	6233136	6233136	176838.4	2.35	35.25
Radio outlet	414960	0	414960	414960	176838.4	2.35	0.23
Telephone	41480	0	41480	41480	176838.4	42.25	0.23
Electricity	7471440	0	7471440	7471440	176838.4	245.04	42.25
Total	31,554,873	11,777,435	43,332,30 8	43,791,904		245.04	247.64

Note: "Radio outlet" refers to the government supplied radio connections once and still common in most Soviet households. In Almaty these radios receive three stations. Since the outlet cannot be turned on or off, payment is mandatory, but tiny.